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FILED IN THE
U.S. DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

FEB 14 2019

SEAN F. McAVOY, CLERK
DEPUTY
SPOKANE, WASHINGTON

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,

Plaintiff,

v.

MICHELLE SUSAN FERRELL,

Defendant.

2:19-CR-29-RHW

INFORMATION

Vio: 18 U.S.C. § 1343
Wire Fraud

Forfeiture Allegations
18 U.S.C. § 981(a)(1)(C); 28 U.S.C.
§ 2461(c)

The United States Attorney charges:

BACKGROUND

At all times relevant to this Information:

1. Greater Spokane County Meals on Wheels (MOW) is a non-profit organization that serves meals to elderly and disabled adults in Spokane County. MOW employs individuals, but also relies on government funding as well as volunteer time and monetary donations in order to serve over 1,000 meals per day.

2. Between May 2013, and April 2018, Defendant MICHELLE SUSAN FERRELL was a bookkeeper employed by MOW. As bookkeeper, Defendant

1 MICHELLE SUSAN FERRELL had access to MOW's bank accounts, debit cards,
2 payroll system, and other financial and accounting information.

3 THE SCHEME

4 3. Between on or about May 16, 2013 and on or about April 24, 2018, in the
5 Eastern District of Washington, Defendant MICHELLE SUSAN FERRELL, did
6 knowingly, and with the intent to defraud, devise a scheme and plan to defraud MOW,
7 and to obtain money and property by means of materially false and fraudulent
8 pretenses, representations and promises.

9 MANNER AND MEANS

10 4. Between on or about May 16, 2013, and April 24, 2018, in the Eastern
11 District of Washington, Defendant MICHELLE SUSAN FERRELL, for the purpose
12 of executing the scheme described above, caused signals and sounds to be transmitted
13 by means of wire communication in interstate commerce, all in violation of 18 U.S.C.
14 § 1343.

15 5. It was part of the scheme that Defendant MICHELLE SUSAN
16 FERRELL used MOW funds, to which she had access through her position as
17 bookkeeper, for unauthorized and personal expenses. Defendant MICHELLE
18 SUSAN FERRELL used her access to MOW funds and accounts to make electronic
19 funds transfers to, and debit card purchases from, various businesses and entities for
20 her personal benefit. Defendant MICHELLE SUSAN FERRELL frequently disguised
21 these purchases in MOW's internal accounting records to conceal them and to make
22 them appear to be for legitimate MOW expenses. Between on or about May 16, 2013
23 and April 24, 2018, Defendant MICHELLE SUSAN FERRELL transferred at least
24 \$88,800.51 of MOW funds in this manner for unauthorized, personal expenses and
25 uses.

26 6. Additionally, Defendant MICHELLE SUSAN FERRELL's job
27 responsibilities included filing quarterly payroll tax returns with the United States
28 Internal Revenue Service (IRS). These returns stated and remitted the purported

1 amounts due to IRS from MOW in taxes. Between March 2014 and December 2017,
2 Defendant MICHELLE SUSAN FERRELL frequently either failed to file any
3 quarterly return at all, meaning that MOW did not pay any of the payroll tax due to
4 IRS that quarter, or understated to IRS the amount due by MOW, as compared to
5 MOW's internal Quickbooks records. Defendant MICHELLE SUSAN FERRELL
6 did this for the purpose of ensuring that MOW would have funds in its account for her
7 to use for her personal expenses, and to not draw attention to the fraudulent scheme
8 because MOW's internal Quickbooks records would record that these amounts had
9 been remitted to the IRS. When MOW discovered the fraud, it was required to file
10 corrected returns with the IRS, resulting in MOW owing to IRS over \$120,000 in back
11 payroll taxes, as well as penalties and interest for late payment in amounts that have
12 not yet been determined, but which will cause additional loss to MOW as a result of
13 Defendant MICHELLE SUSAN FERRELL's fraudulent scheme.

14 NOTICE OF FORFEITURE ALLEGATIONS

15 7. The allegations contained in paragraphs 1-6 of this Information are
16 hereby re-alleged and incorporated herein by this reference for the purpose of alleging
17 forfeiture.

18 8. Pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), upon
19 conviction of an offense(s) in violation of 18 U.S.C. § 1343, Wire Fraud, as alleged in
20 this Information, the Defendant, MICHELLE SUSAN FERRELL, shall forfeit to the
21 United States of America any property, real or personal, which constitutes or is
22 derived from proceeds traceable to the offense. The property sought for forfeiture
23 includes, but is not limited to, the following:

24 REAL PROPERTY

25 All that lot or parcel of land, together with its buildings,
26 appurtenances, improvements, fixtures, attachments and
27 easements, located at 4110 S. Hollow Court, Spokane
28 Valley, Washington, legally described as follows:

(CITY OF SPOKANE VALLEY) FOREST MEADOW
FIRST ADDITION LT 4 BLK 1 [SR EX EXEMPT- 1AC
+ HOUSE + GARAGE] [SR EX TAXABLE - 17,488FT
+ OUT BLDGS]
Tax Parcel No. 45333.1004

MONEY JUDGMENT

A sum of money of at least \$88,800.51 in United States
currency, representing the amount of proceeds obtained
from the wire fraud violations.

9. If any of the property described above, as the result of any act or
omission of Defendant MICHELLE SUSAN FERRELL:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided
without difficulty,

the United States shall be entitled to forfeiture of substitute property pursuant to 21
U.S.C. § 853(p), as incorporated by 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. §
2461(c).

DATED this 14th day of February, 2019.



Joseph H. Harrington

United States Attorney



Dan Fruchter

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